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## U.S. Generalized System of Preferences: The First 3 Years

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The United States Generalized System of Preferences (GSP) is authorized by Title V of the Trade Act of 1974, as amended by Title XI of the Trade Agreements Act of 1979. The GSP is for a 10-year period and provides preferential tariff treatment to imports of products selected from designated beneficiary developing countries.

The objectives of the GSP program are to enable beneficiary developing countries (BDC's) to increase export earnings, promote industrialization, and accelerate their rates of economic growth.

One hundred and one countries and 35 nonindependent countries and territories have been designated eligible for preferential tariff treatment. Developed countries are ineligible as are Communist countries with certain exceptions. The exceptions are that the Communist country is a member of the General Agreement on Tariffs and Trade (GATT) and the International Monetary Fund (IMF); is not dominated by international Communism; and meets other requirements.

Countries granting reverse preferences to other developed countries are ineligible, as are countries that have nationalized property of U.S. citizens without compensation, negotiation, or arbitration. Also ineligible citizens without compensation, negotiation, or arbitration. Also ineligible are countries not cooperating with the United States in suppressing illegal drug traffic into the United States; those granting sanctuary to international terrorists; and those refusing to recognize arbitral awards favoring U.S.

citizens and businesses. Member countries of the Organization of Petroleum Exporting Countries (OPEC) are excluded from eligibility by Title V. However, Title XI of the Trade Agreements Act of 1979 modified the blanket exclusion of OPEC members, and makes eligible for designation those countries that conclude product-specific agreements with the United States by January 3, 1980, and do not withhold petroleum.

Customs union/free trade areas of BDC's may also be designated eligible for preferential treatment and treated as a single country, providing its member states are eligible. Title XI has broadened the concept to permit extension of GSP treatment to regional associations that contribute to economic integration among members.

Duty-free treatment applies to imports of articles produced in the BDS's or to those in which at least 35 percent of the value of the product has been added in the BDC. Title XI reduces from 50 percent to 35 percent the value-added content applying to imports from regional associations, thus bringing this figure into harmony with that established for single countries.

The U.S. GSP program allows for duty-free treatment for a broad range of manufactured and semi-manufactured products and for a selected list of agricultural and primary products. Title V prohibits the President from extending preferential treatment to import-sensitive articles and to articles subject to import relief.

More than 2,500 five-digit items in the Tariff

Schedule of the United States (TSUS) are eligible for preferential treatment and 339 of these are agricultural products, representing about one-fourth of all agricultural tariff headings. Three agricultural products were added in 1979—fresh garlic; dried vegetables other than beans, peas, garlic, lentils, lupines, onions, and potatoes; and coconut meat.

Limitations are imposed on preferential treatment through the competitive-need provisions of Title V. The President is directed to terminate preferential treatment if annual imports from a single BDC exceed a certain value, or when imports from a BDC exceed 50 percent of total U.S. imports of that commodity. The value, set at \$25 million when the program began, is adjusted annually in proportion to the change in the gross national product of the United States. For 1978, the competitive-need value limit was \$37.3 million.

Title XI has modified the 50 percent rule through a *de minimis* provision that allows the President to waive the 50 percent rule if total U.S. imports of the article are less than \$1 million (adjusted annually), with 1980 as the base year. A country exceeding competitive-need limitations loses its GSP benefits on that article no later than 60 days following the end of the calendar year.

### **Program Results Analyzed**

The GSP year previously began March 1 and ended February 28 of the following year to allow for evaluation of competitive-need exclusions and to take account of various additions and deletions that resulted from the product reviews. This period was changed by Title XI to April 1 - March 31, beginning in 1980. The following analysis is based on calendar-year data and actual trade values.

The dollar value of imports entering the United States duty-free has increased each year of the program's operation. However, the importance of duty-free imports as a percentage of total U.S. agricultural imports remains modest. In the first year of the program, all GSP duty-free imports were \$3.1 billion and accounted for 2.6 percent of total U.S. imports. Duty-free agricultural imports under GSP were \$547.5 million of 4.4 percent of total agricultural imports (Table 1). In 1977, all duty-free imports accounted for \$3.9 billion and were 2.8 percent of total imports. Duty-free agricultural imports were \$564.0 million and were 3.8 percent of total agricultural imports. In 1978, all duty-free imports were valued at \$5.2 billion and accounted for about 3.0 percent of total U.S. imports. Agricultural imports entering duty-free under the GSP program amounted to \$579.1 million and represented 3.5 percent of total agricultural products in 1978.

Sugar has been the largest GSP-eligible import item during the life of the program. In 1976, 1977, and 1978, sugar imports accounted for 64.8, 52.2 and 45.5 percent, respectively, of total GSP-eligible agricultural imports. Duty-free imports of this prod-

uct declined from \$174.8 million in 1976 to \$83.3 million in 1978 or 31.9 percent and 14.4 percent, respectively, of total GSP duty-free agricultural imports in those 2 years. One reason for the decline in sugar values was that prices for that commodity dropped sharply in late 1976 from their previous high levels. Because of the distorting effects of this large trade item, the data were examined without sugar. With sugar excluded, the value of GSP-eligible agricultural imports increased each year since 1976. Duty-free imports likewise increased from \$372.7 million in 1976 to \$495.8 million in 1978, representing between 5.4 and 6.2 percent of total agricultural imports from BDC's. The proportion of GSP-eligible imports entering duty free has increased from 35.0 percent in 1976 to 40.7 percent in 1978. With sugar removed, nearly two-thirds of eligible imports enjoyed duty-free treatment. Competitive-need exclusions accounted for the major share of those imports subject to duty. Other exclusions are attributable to such factors as failure to file for duty exemptions and failure of imports to meet the 35 percent value-added requirement.

### **A Few Products Dominate Trade**

In 1978, 10 products accounted for the bulk of trade in duty-free agricultural commodities. Of the 10, five commodities (sugar, cocoa butter, corned beef, inedible molasses, and unsweetened cocoa) were over 75 percent of preferential agricultural imports (Table 2). The duty-free trade value of the five leading products was \$411.4 million. Sugar—the largest item—was valued at \$174.4 and comprised 31.9 percent of duty-free imports.

Sugar has been the leading item in duty-free agricultural imports since the program began. The predominance of sugar as a GSP-eligible item is reflected in the high percentage of this product being excluded from preferential treatment because of competitive-need limitations. Sugar accounted for 78.2 percent, 81.4 percent and 72.3 percent of total competitive-need exclusions in the food and agricultural sector in 1976, 1977, and 1978.

Preferential imports of cocoa butter were valued at \$71.7 million in 1978, and represented 13.1 percent of GSP duty-free imports. Imports of corned beef and inedible molasses were almost equal in value, amounting to \$68.9 and \$68.8 million, respectively. These products accounted for 12.6 percent each of duty-free imports in 1978. Another major duty-free item was unsweetened cocoa, with value of \$27.2 million or 5.0 percent of duty-free agricultural imports.

Just as a few products accounted for a high proportion of duty-free imports, a few BDC's dominate in GSP trade. The top five GSP beneficiaries in the agricultural sector in 1978 were also suppliers of the leading products. The leading duty-free products and their dominant suppliers were:

**Brazil**—unsweetened cocoa, cocoa butter, castor



oil, corned beef, and candy and other confectionery;

**Mexico**—cocoa butter; ale, porter, stout, or beer; live birds; and molasses;

**Argentina**—corned beef, castor oil, and candy and other confectionery;

**Ivory Coast**—unsweetened cocoa; and

**Taiwan**—mandarin oranges.

However, none of the top five suppliers was among the leading exporters of duty-free sugar. Still, their duty-free trade was substantial, and amounted to \$284.5 million or 49.1 percent of preferential agricultural imports. Brazil, Mexico, Ivory Coast, Argentina, and Taiwan also accounted for the majority of exclusions under competitive-need limitations, amounting to \$290.8 million or 38.6 percent of total competitive-need exclusions.

### Review Procedure

Title V specifies the standards to be used in determining eligible articles and required the President to publish and furnish the U.S. International Trade Commission (ITC) with lists of articles that may be considered eligible for designation to the product list. The ITC then studies the probable effects of extension of duty-free treatment on U.S. industries producing similar products and on consumers. The ITC report is, in part, based on evidence collected at public hearings and from briefs from interested parties.

A party with a significant economic interest in adding an item or deleting an item from GSP can petition for such action to the Office of the U.S. Trade

Representative (formerly the U.S. Special Trade Representative). Petitions are received from March until mid-July each year and formal reviews are conducted once a year. The petitions are reviewed by an interagency Trade Policy Staff Committee (TPSC) chaired by the USTR to determine if they meet established requirements. A list of petitions accepted for review is published in the Federal Register. The TPSC can review products on its own motion.

Public hearings are held by the TPSC to obtain information on the petitions. Interested parties may submit briefs and/or testify at the hearings.

With the written and oral advice of interested parties, the TPSC reconvenes to consider the merits of such petition. Its work is prepared by the GSP Subcommittee. Preliminary subcommittee advice and TPSC advice are formulated by majority vote. Any department may appeal a decision to higher levels—first to the Trade Policy Review Group (Assistant Secretary level) and finally to the Trade Policy Committee (Secretary level), both of which are interagency groups chaired by USTR. When the review is completed, USTR forwards the advice thus obtained to the President for action.

The Trade Policy Staff Committee's approximate timetable for annual product review is as follows:

<b>June 1</b> .....	<b>Announcement of review</b>
<b>June 15</b> .....	<b>Deadline for receiving petitions</b>
<b>August 1</b> .....	<b>Announcement of accepted petitions</b>
<b>September 15</b> .....	<b>Public hearings</b>
<b>April 1</b> .....	<b>President proclaims new list of designated products and countries</b>

## List of Developing Countries and Territories Designated As Eligible for Preferential Duty-Free Treatment Under the General System of Preferences

### Independent Countries

Afghanistan	Central African Empire	Ghana
Angola	Chad	Grenada
Argentina	Chile	Guatemala
Bahamas	Colombia	Guinea
Bahrain	Comoros	Guinea Bissau
Bangladesh	Congo (Brazzaville)	Guyana
Barbados	Costa Rica	Haiti
Benin	Cyprus	Honduras
Bhutan	Djibouti	India
Bolivia	Dominican Republic	Israel
Botswana	Egypt	Ivory Coast
Brazil	El Salvador	Jamaica
Burma	Equatorial Guinea	Jordan
Burundi	Ethiopia	Kenya
Cameroon	Fiji	Korea, Republic of
Cape Verde	Gambia	Lebanon

Lesotho	Pakistan	Swaziland
Liberia	Panama	Syria
Malagasy Republic	Papua New Guinea	Taiwan
Malawi	Paraguay	Tanzania
Malaysia	Peru	Thailand
Maldives	Philippines	Togo
Mali	Portugal	Tonga
Malta	Romania	Trinidad and Tobago
Mauritania	Rwanda	Tunisia
Mauritius	Sao Tome and Principe	Turkey
Mexico	Senegal	Upper Volta
Morocco	Seychelles	Uruguay
Mozambique	Sierra Leone	Western Somoa
Nauru	Singapore	Yemen Arab Republic
Nepal	Somalia	Yugoslavia
Nicaragua	Sri Lanka	Zaire
Niger	Sudan	Zambia
Oman	Surinam	

Nonindependent Countries and Territories

Antigua	Falkland Island	Pitcarn Island
Belize	(Malvinas)	Saint Christopher-
Bermuda	French Polynesia	Nevis-Anguilla
British Indian Ocean Territory	Gibraltar	Saint Helena
British Solomon Islands	Heard Island and McDonald Islands	Saint Lucia
Brunei	Hong Kong	Saint Vincent
Cayman Islands	Macao	Tokelau Islands
Christmas Island (Australia)	Montserrat	Trust Territory of the Pacific Islands
Cocos (Keeling) Islands	Netherlands Antilles	Turks and Caicos Islands
Cook Islands	New Caledonia	Tuvalu
Dominica	New Hebrides Condominium	Virgin Islands, British
	Niue	Wallis and Futuna Islands
	Norfolk Island	Western Sahara

**Table 1—U.S. Imports of Agricultural Products: World Trade and Under GSP, 1976-78**  
(In million dollars)

Year	Item	World trade	Total imports from BDC's	GSP imports from BDC's			Competitive-need exclusion
				Eligible imports	Free	Dutiable	
1976	Total . . . . .	12,321.4	6,995.4	1,564.7	547.5	1,017.2	565.2
	Sugar <sup>1</sup> . . . . .	1,148.4	1,014.0	1,014.0	174.8	839.2	442.2
	Balance . . . . .	11,164.0	5,981.4	550.7	372.7	178.0	123.0
1977	Total . . . . .	14,808.1	8,770.2	1,520.0	564.0	956.1	876.4
	Sugar <sup>1</sup> . . . . .	1,024.8	854.2	854.2	133.4	720.8	713.9
	Balance . . . . .	13,783.3	7,916.0	665.8	430.6	235.3	162.5
1978	Total . . . . .	16,669.0	9,195.2	1,422.4	579.1	843.3	752.6
	Sugar <sup>1</sup> . . . . .	772.9	647.5	647.4	83.3	564.1	544.4
	Balance . . . . .	15,669.0	8,547.7	775.0	495.8	279.1	208.3

<sup>1</sup> Costa Rica received GSP treatment retroactively as a result of revaluation of imports.

Note: Totals may not add due to rounding.

Source: Bureau of the Census, U.S. Department of Commerce.

**Table 2—GSP Duty-Free Agricultural Imports—Leading Items 1976, 1977, 1978**

TSUS number	Product	1976		1977		1978	
		Value	Share of total	Value	Share of total	Value	Share of total
		Mil. dol	Percent	Mil. dol	Percent	Mil. dol	Percent
107.48	Corned beef	68.9	12.6	19.6	3.5	56.1	9.7
125.80	Live plants, n.s.p.f. <sup>1</sup>	5.5	1.0	7.2	1.3	9.4	1.6
147.29	Oranges, mandarin, canned	3.1	0.6	6.9	1.2	8.6	1.5
155.20	Sugar	174.8	31.9	133.4	23.7	83.3	14.4
155.40	Molasses, inedible	68.8	12.6	72.4	12.8	56.9	9.8
156.35	Cocoa butter	71.7	13.1	56.3	10.0	54.5	9.4
156.40	Cocoa, unsweetened	27.2	5.0	84.4	15.0	79.4	13.7
157.10	Candy, n.s.p.f. <sup>1</sup>	10.9	2.0	10.0	1.8	11.9	2.1
167.05	Ale or beer	9.0	1.6	11.0	2.0	14.7	2.5
176.14 <sup>2</sup> 176.15 }	Castor Oil	10.6	1.9	38.8	6.9	39.3	6.9
Subtotal		450.5	82.3	440.0	78.0	414.0	71.5
Others		97.0	17.7	124.0	22.0	165.0	28.5
Total		547.5	100.0	564.0	100.0	579.1	100.0

<sup>1</sup> Not specifically provided for.

<sup>2</sup> Effective 10/1/76, TSUS 176.02 was split to form 176.14 and 176.15.

Note: Totals may not add due to rounding.

Source: Bureau of the Census, U.S. Department of Commerce.

**Table 3—GSP-Eligible Agricultural Imports, Major Beneficiary Countries, 1978**

Country	Total Eligible		Free		Dutiable		Competitive-need exclusions	
	Mil. dol	Percent	Mil. dol	Percent	Mil. dol	Percent	Mil. dol	Percent
Brazil . . . . .	255.8	18.0	101.1	17.5	154.7	18.3	149.9	19.9
Mexico . . . . .	162.2	11.4	85.1	14.7	77.1	9.1	60.4	8.0
Argentina . . . .	76.9	5.4	38.7	6.7	38.1	4.5	32.5	4.3
Ivory Coast . . .	73.5	5.2	41.6	7.2	32.1	3.8	31.8	4.2
Taiwan . . . . .	41.0	2.9	18.0	3.1	22.9	2.7	16.2	2.2
India . . . . .	25.4	1.8	21.1	3.6	4.3	.5	( <sup>1</sup> )	.0
Costa Rica . . . .	23.1	1.6	19.9	3.4	3.2	.4	.5	.07 <sup>2</sup>
Belize . . . . .	16.7	1.2	14.8	2.6	2.0	.2	.0	.0
Trinidad . . . . .	16.2	1.1	15.3	2.6	.9	.1	.6	.08 <sup>2</sup>
Ghana . . . . .	14.0	1.0	13.8	2.4	.3	.04	.0	.0
Subtotal <sup>1</sup>	704.8	49.6	369.4	63.8	335.6	39.8	292.	38.8
Others <sup>1</sup>	717.6	50.4	209.7	36.2	507.7	60.2	460.7	61.2
Total	1,422.4	100.0	579.1	100.0	843.3	100.0	752.7	100.0

<sup>1</sup> Totals may not add due to rounding.

<sup>2</sup> Negligible.

<sup>3</sup> The Philippines accounted for 11.9 percent of total eligible trade in 1978. Its share of duty free imports were less than one percent, its dutiable imports accounted for 19.0 percent of dutiable imports and Philippine competitive-need exclusions were 21.3 percent of the total.

**Table 4—Agricultural Commodities Designated as Eligible for  
Preferential Duty-Free Treatment Under the Generalized Preference Program**

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
10025	Live birds valued not over \$5 each, n.e.s.	4.9	
10031	Live birds, n.s.p.f., valued over \$5 each	4.0	
10073	Live horses, not imported for immediate slaughter, valued not over \$150 per head	4.0 <sup>1</sup>	
10095	Live animals, except birds, n.e.s.	3.5	
10530	Dead birds, whole, plucked only, fresh, chilled, or frozen	0.7 <sup>1</sup>	
10560	Dead birds, plucked, beheaded and eviscerated, fresh, chilled, or frozen	2.2	
10584	Birdmeat, n.s.p.f., otherwise prepared or preserved	1.7	
10640	Pork, fresh, chilled or frozen	0.6	
10660	Frogs, fresh, chilled or frozen	2.5	
10670	Meats, n.s.p.f., fresh, chilled or frozen, not over 30 cents per pound	11.5	Mexico
10675	Meats, n.s.p.f., fresh, chilled or frozen, valued over 30 cents per pound	10.0	
10680	Edible meat, offal, fresh, chilled, or frozen, not over 20 cents per pound	3.2	
10685	Edible meat, offal, fresh, chilled, or frozen, over 20 cents per pound	2.5	
10710	Fresh pork sausages	1.6	
10715	Pork sausage, except fresh	1.1	
10720	Sausages, beef, in airtight containers	7.5	
10725	Sausages, n.e.s.	5.0	
10740	Beef or veal, pickled or cured, valued not over 30 cents per pound	11.5	
10745	Beef or veal, pickled or cured, valued over 30 cents per pound	10.0	
10748	Corned beef in airtight containers	7.5	Argentina
10765	Frog meat, prepared or preserved	6.0	Bangladesh
10770	Meat and edible offal, n.e.s.	6.4 <sup>1</sup>	
10775	Meat and edible offal, n.e.s., prepared or preserved, over 30 cents per pound	5.0	
10780	Meat extract, including fluid	0.6	Argentina
11765	Cheese from sheep's milk, suitable for grating, original loaves <sup>2</sup>	9.0	
11767	Cheese, pecorino, in original loaves not suitable for grating <sup>2</sup>	12.0	
11950	Poultry eggs, except chicken, in the shell	1.5	
11955	Chicken eggs, in the shell	14.6	
12017	Other hides and skins	2.0	
12350	Furskins of the silver, black, or platinum fox	18.5	
12420	Plates, mats, linings, strips, etc., of fur skins dressed, not dyed	8.5	
12425	Furskins, n.e.s., dressed, not dyed	2.5	
12430	Coney rabbit furskins, dressed, not dyed	5.0	
12440	Furskins, n.s.p.f., whole or not dressed but not dyed	5.0	
12460	Plates, mats, linings, strips, etc. of furskins, dyed, or dressed	10.0	
12465	Furskins, dressed and dyed, beaver, chinchilla, ermine, mink, etc.	4.0	
12470	Rabbit furskins, dressed, dyed	7.5	
12480	Furskins, whether whole or not n.s.p.f., dressed and dyed	6.0	
12501	Tulip bulbs, live	1.7	
12510	Lily bulbs	0.3	
12515	Narcissus bulbs	1.7	
12520	Crocus corms	1.1	

Footnotes at end of table.



TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
12530	Bulbs, roots, etc., n.e.s., imported for horticultural purposes	5.5	
12550	Grafted or budded fruit trees	5.0	
12570	Orchid plants	4.0	
12580	Live plants suitable for planting, n.s.p.f.	7.5	
12641	Flower seeds	0.4	
12671	Pepper seeds	0.4	
12710	Garden and field seeds except grass and forage crop seed, n.s.p.f.	1.9	
13020	Canary seed	1.1	
13030	Corn or maize certified seed	0.3	
13035	Corn or maize, except certified seed	7.4	Argentina Mexico
13040	Grain sorghum	1.8	
13063	Seed wheat, unfit for human consumption	5.0	
13120	Corn, milled, fit for human consumption	3.4	
13135	Rice meal and flour, fit for human consumption	0.5	
13180	Other milled grain products, not fit for human consumption	10.0	
13255	Starches, n.s.p.f.	3.8	
13530	Cabbage, fresh, chilled or frozen	10.8	
13541	Carrots, fresh, chilled or frozen, under 4 inches long	6.0	
13550	Cauliflower, fresh, chilled, or frozen, entry June 5 - Oct. 15	5.5	
13551	Cauliflower, fresh, chilled or frozen entered Oct. 16 - June 4	12.5	
13560	Celery, entering April 15 - July 31	1.4	
13570	Chickpeas or garbanzos, fresh, chilled, or frozen	2.5	
13580	Cowpeas, blackeye, fresh, chilled, or frozen	10.6	Nicaragua Mexico
13590	Cucumbers, fresh, chilled, or frozen, entry Dec. 1 - last day of Feb.	14.9	
13594	Cucumbers, fresh, chilled, or frozen, entry July 1 - Aug. 31	17.1	
13600	Dasheens, fresh, chilled, or frozen	12.5	Dominican Republic
13610	Endive, including witloof chicory	0.2	
13640	Horseradish	6.8	
13650	Lentils <sup>1</sup>	0.2	
13680	Okra, fresh, chilled, or frozen	25.0	Mexico
13690	Onion sets, fresh, chilled, or frozen	1.6	
13692	Pearl onions, not over 10/16 inch in diameter	7.1	Mexico
13698	Peas, fresh or chilled, entry July 1 - Sept. 30	1.2	Dominican Republic
13699	Peas, frozen entering July 1 - Sept. 30	3.4	
13701	Peas, fresh, chilled or frozen entering Oct. 1 - June 30	13.0	
13740	Radishes, fresh, chilled, or frozen	6.0	Mexico
13771	Brussels sprouts, fresh, chilled or frozen	25.0	Mexico
13775	Chayote, fresh, chilled or frozen	12.5	Costa Rica
13805	Broccoli, cauliflower, and okra, fresh, chilled or frozen, and cut, sliced or reduced in size	17.5	Mexico
14009	Mung beans, dried, entry for consumption May 1 - Aug. 31	2.3	
14010	Red kidney beans, dried, entry for consumption May 1 - Aug. 31	3.1	
14011	Dried beans, n.s.p.f. entered for consumption May 1 - Aug. 31	3.6 <sup>1</sup>	
14014	Mung beans, dried, etc. entry for consumption Sept. 1 - April 30, withdrawn anytime	4.3	
14016	Beans, dried, except mung, entry for consumption Sept. 1 - April 30, withdrawn anytime	5.8 <sup>1</sup>	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
14020	Chickpeas or garbanzos, split, dried, etc.	4.9	
14021	Chickpeas or garbanzos, other than split, dried, etc.	5.3	
14025	Blackeye cowpeas, dried, etc.	1.3	Mexico
14035	Lentils, dried, etc.	0.4	
14038	Lupines, dried, etc.	0.5	
14046	Peas, n.e.s., dried, desiccated, or dehydrated	2.6	
14105	Soybean, in brine, pickled or otherwise prepared or preserved, n.e.s.	8.5	
14120	Beans, except soya, prepared or preserved, not in salt or brine, not pickled	5.4	
14135	Chickpeas or garbanzos, prepared or preserved, except dried	1.3	Turkey
14145	Onions packed in salt, in brine or pickled	8.0	
14150	Onions, prepared or preserved, n.e.s.	17.5	
14155	Peas, in brine, packed in salt, pickled or otherwise preserved, except dried	2.7	Dominican Republic
14170	Waterchestnuts, in salt, pickled or otherwise preserved	17.5	Taiwan
14177	Miscellaneous vegetables, in salt, pickled or otherwise preserved	12.0	Mexico
14179	Palm hearts, prepared or preserved, n.e.s. <sup>2</sup>	8.5	
14502	Chestnuts, prepared or preserved, n.e.s.	3.5	
14509	Coconut meat, except copra, n.s.p.f., otherwise prepared or preserved	10.0	
14524	Pignolia nuts, not shelled	0.4	
14528	Walnuts, not shelled	8.0	
14530	Nuts, edible, n.e.s., not shelled	1.8	
14552	Pignolia nuts, shelled, blanched, or otherwise prepared or preserved	0.3	Portugal
14553	Pistache nuts, shelled, blanched, or otherwise prepared or preserved	0.4	Turkey
14554	Walnuts, pickled, immature <sup>2</sup>	5.0	
14560	Nuts, pickled or otherwise prepared or preserved, n.s.p.f.	28.0	Taiwan
14612	Apples, dried	1.0	Argentina
14622	Apricots, dried	1.4	Turkey
14642	Bananas, dried	3.5	
14644	Bananas, not fresh or dried, otherwise prepared or preserved	7.5	Philippines
14666	Berries, dried and evaporated, except barberries, n.s.p.f.	0.8	
14673	Black currants, gooseberries, etc., prepared or preserved	7.0	
14680	Cashew apples, sapodillas, etc., fresh or prepared or preserved <sup>2</sup>	7.0	
14721	Lemons, prepared or preserved <sup>2</sup>	0.8	
14729	Oranges, mandarin, packed in airtight containers	0.5	
14733	Citrus fruit, fresh, n.s.p.f.	8.5	Jamaica
14736	Citrus fruits, prepared, n.s.p.f.	35.0	Israel
14780	Guavas, fresh, dried, pickled or in brine	7.0	Mexico
14785	Guavas, prepared or preserved, n.s.p.f.	4.0	Brazil
14788	Mangoes, fresh, entry Nov. 1 - Mar. 31 <sup>14</sup>	16.6	Mexico
14792	Mangoes, prepared or preserved <sup>5</sup>	8.4	India
14796	Mangoes, prepared or preserved	7.0	
14812	Cantaloupes, fresh entry Dec. 1 - Mar. 31 <sup>16</sup>	35.0	Mexico
14825	Melons, other, entry Dec. 1 - May 31 <sup>1</sup>	8.5	Mexico
14835	Melons, prepared or preserved	35.0	Mexico
14872	Peaches, fresh or in brine, entry Dec. 1 - May 31	0.4	Chile
14877	Peaches, white, fleshed, prepared or preserved, n.s.p.f.	10.0	Korea
14915	Plantains, prepared or preserved	7.5	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
14950	Fruits, fresh, n.e.s.	8.5	Mexico
14960	Fruits, prepared or preserved, n.e.s.	17.5	
15200	Banana flour and plantain flour	7.0	
15205	Fruit flours, other	15.0	
15243	Fruit paste and pulp: cashew apple, mamey colorado, sapodilla, soursop, and sweetsop	17.5	Dominican Republic
15254	Guava paste and pulp	7.0	Brazil
15258	Mango paste and pulp	7.0	India
15260	Tamarind paste and pulp <sup>2</sup>	15.0	
15272	Banana and plantain, paste and pulp	7.5	
15302	Jellies, jams, etc., of cashew apple, mamey colorado	5.0	
15308	Guava jelly, jam, marmalades, and fruit butters	5.0	
15316	Orange marmalade	5.5	
15324	Pineapple jellies, jams, marmalades, fruit butters, etc.	5.0	
15328	Quince jelly, jam, marmalades, fruit butters, etc.	8.5	
15332	Jellies, jams, marmalades, and fruit butters, n.e.s.	7.0	
15410	Chestnuts, candied, crystallized or glace, including marrons	1.6	
15440	Ginger root, candied, crystallized, or glace	13.5	Taiwan
15455	Fruit, candied, crystallized or glace, n.e.s.	10.0	Taiwan
15460	Candied, crystallized, or glace vegetable substance, n.e.s.	20.0	
15520	Sugar, sirup, molasses, principally crystalline structure or dry amorphous form <sup>3</sup>	30.0	Argentina Brazil Dominican Republic El Salvador Guatemala Guyana India Jamaica Nicaragua Panama Peru Philippines Taiwan Thailand
15530	Sugars, sirups, molasses containing not over 6 percent nonsugar solids <sup>4</sup>	19.8	
15535	Sugars, sirups, molasses containing nonsugar over 6 percent	2.5	Barbados
15540	Molasses, inedible	.05	
15560	Dextrose	7.4	
15575	Sugars, sirups, and molasses, blended, flavored or unflavored	15.0	
15625	Chocolate, sweetened, in bars or blocks, 10 lbs. or more	0.3	
15630	Chocolate, sweetened, except bars and blocks, 10 lbs. or more	5.0	
15635	Cocoa butter	3.0	
15640	Cocoa, unsweetened, and cocoa cake reducible to cocoa powder	0.2	Brazil
15645	Cocoa, sweetened	5.0	Ivory Coast
15647	Confectioner's coatings and other products containing over 6.8 percent nonfat solids of cocoa bean nibs and over 15 percent vegetable fats other than cocoa butter	2.5	
15710	Candy and other confectionery, n.s.p.f.	7.0	
16115	Cassia, cassia buds, and cassia vera, ground	1.1 <sup>1</sup>	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
16119	Cinnamon and cinnamon chips, ground	1.1	
16137	Ginger root, ground, not candied or preserved	0.8	
16143	Mace, bombay or wild, unground <sup>2</sup>	7.7	
16145	Mace, bombay or wild, ground <sup>2,7</sup>		
16153	Marjoram, manufactured	7.5	Egypt
16161	Mustard seeds, whole	3.1	
16165	Nutmegs, ground	0.8	
16169	Origanum, except crude	7.5	Mexico
16171	Parpika, ground or unground	7.3	
16175	Parsley, manufactured	15.0	
16179	Pepper, black or white, ground	1.1	
16183	Pepper, capsicum or cayenne or red, unground, n.s.p.f.	4.7	
16192	Rosemary, manufactured	7.5	
16194	Sage, unground <sup>2</sup>	2.0	
16196	Sage, ground or rubbed	1.5	
16203	Savory, manufactured	7.5	
16207	Tarragon, manufactured	7.5	
16211	Thyme, manufactured	7.5	Syria
16215	Mixed spices, spice seeds, and spices, n.s.p.f.	7.5	
16555	Fruit juices, unmixed, n.e.s. not containing over 1 percent ethyl alcohol	1.2	
16620	Gingerale, ginger beer, lemonade, and soda water	0.6	
16630	Vegetable juices, including mixed, under ½ percent alcohol	0.4	
16640	Beverages, n.s.p.f., under ½ percent alcohol	0.5	
16705	Ale, porter, stout, or beer	2.6	
16715	Cider, fermented, still or sparkling	1.0	
16725	Rice wine or sake <sup>2</sup>	4.5	
16734	Wine, grape, marsala, over 14 percent alcohol in containers not over 1 gallon each	5.5	
16740	Vermouth, in 1-gallon containers	4.6	
16750	Other fermented alcoholic beverages, n.e.s.	8.4	
17551	Sunflower seed	3.8	
17601	Castor oil, valued not over 20 cents per pound <sup>2</sup>	7.5	
16714	Castor oil, valued over 20 cents per pound, having lovibond color values greater than 6 yellow and 0.6 red <sup>2</sup>	4.2	
17615	Castor oil, valued over 20 cents per pound, other	3.7	
17630	Olive oil, edible, weighing with container not under 40 lbs.	4.9	
17633	Palm kernel oil, edible	1.8 <sup>1</sup>	Malaysia
17649	Sesame oil, rendered unfit for use as food <sup>2</sup>	1.2	
17650	Sesame oil, not rendered unfit for use as food	0.7	
17670	Other vegetable oils, n.s.p.f., except nut oils	5.0	
17758	Wool grease, medicinal	10.9	
17762	Wool grease, n.e.s.	12.7	
17769	Animal oils, fats, and greases, n.e.s., except milk, edible	5.0	
17772	Animal oils, fats, and greases, not edible, n.s.p.f.	6.5	Cayman Islands
17830	Oil mixtures, chief value not of linseed or flaxseed	10.0	
18205	Antipasto	5.0	
18210	Corned beef hash	10.0	
18211	Pastes, hash, puddings, etc., of vegetable and/or meat or fish	17.0	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
18215	Bean cake, bean stick, miso, and similar products	14.0	
18220	Biscuits, cake, cakes, wafers, and similar products	3.0	
18230	Cereal, breakfast foods, and preparations, processed further than milling	2.5	
18232	Chewing gum	5.0	
18235	Macaroni, etc., containing no egg or egg products	1.5	
18236	Macaroni, etc., containing egg or egg products	1.5	
18240	Yeast extract, nonalcoholic, for seasoning food, except sauces	5.0	
18245	Soy sauce, thin	6.0	
18246	Sauces, except thin soy	7.5	
18252	Soups, soup rolls, cubes, etc., not containing oysters or oyster juice	7.0	
18258	Vinegar, other than malt	2.0	
18290	Edible preparations of gelatin, n.s.p.f.	6.0	Panama
18296	Wheat gluten	10.0	
18450	Linseed oil cake and oil cake meal	1.6	
18465	Animal feed meat, n.e.s., including offal prepared or preserved inedible	4.0	Taiwan
18610	Ostrick feathers and down crude, sorted or treated only <sup>2</sup>	5.0	
18615	Feathers and down, n.e.s.	15.0	
18630	Bristles, crude or processed	0.2	
18640	Hair, curled, suitable for use in mattresses or paddings	2.0	Mexico
18650	Human hair, crude, sorted, treated, dyed, not made into articles	4.0	
18830	Amber and amberoid, natural whether crude or processed <sup>2</sup>	6.6'	
18834	Chicle, other than crude	8.3'	
18850	Turpentine, spirits and gum of, and rosin	5.0	
19010	Dried blood albumen	5.0	
19025	Catgut, whipgut, and orientalgut	17.0	
19115	Animal substances, crude, n.s.p.f.	2.5	
19245	Licorice, extract	6.0	
19285	Straw and other fibrous vegetable substances, processed, n.e.s.	5.0	Mexico
19310	Tonka beans <sup>2</sup>	6.3	
30404	Abaca fibers, processed but not spun	4.0	Philippines
30410	Flax, raw <sup>2</sup>	0.2	
30412	Flax, processed, not carded and not hackled <sup>2</sup>		
30420	Hemp, raw, waste, and advanced waste <sup>2</sup>	0.7	
30422	Hemp, processed, not carded and not hackled	1.4	
30440	Kapok fibers, processed	4.0	Thailand
30444	Ramie, processed but not spun	4.0	Brazil
30448	Sisal and henequen, processed but not spun	8.0	Kenya
30458	Other vegetable fibers, processed but not spun, n.e.s.	4.0	India
30642	Camel hair, in grease, or washed, sorted	5.2	
30652	Alpaca llama and vicuna hair, greasy or washed, sorted	0.8	Peru
30653	Alpaca llama and vicuna hair, scoured	0.7'	
30660	Cashmere goat hair, on the skin <sup>2</sup>		
30661	Cashmere goat hair, greasy or washed, not sorted	2.0	
30670	Angora goat hair, on the skin	3.3'	
30671	Angora goat hair, greasy or washed, not sorted	3.2'	
30672	Angora goat hair, greasy or washed, sorted	4.4	

Footnotes at end of table.



TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
30680	Angora rabbit hair, on the skin	1.5 <sup>1</sup>	
30681	Angora rabbit hair, greasy or washed, not sorted		
30682	Angora rabbit hair, greasy or washed, sorted <sup>2</sup>		
30702	Burr and card waste, not advanced	5.4	
30806	Raw silk and silk processed but not into yarns, not in skeins	7.0	
30810	Silk noils, containing over 50 percent by weight of fibers over 2 inches in length	7.0	
30816	Silk roving, not bleached and not colored	8.5	
30818	Silk roving, bleached or colored	10.0	
30820	Other silk waste and fibers, processed, not spun	7.0	
40880	Vanillin	9.8 <sup>1</sup>	
43510	Aloes, jalap, manna, aconite, ipecac, digitalis, etc., advanced	1.5	
43749	Enzymes and ferments, n.s.p.f.	5.0	
43758	Hormones, natural, not artificially mixed	2.0	
43784	Vitamins, not artificially mixed, natural	2.0	
43930	Natural drugs, advanced	1.5	
45010	Flavoring extracts, essences, etc., no alcohol, in ampoules, capsules, tablets, or similar forms	6.0	
45020	Flavoring extracts, essences, etc., no alcohol, not in ampoules, capsules, tablets or similar forms	6.0	
45224	Eucalyptus oil <sup>2</sup>	3.5	
45248	Orris oil <sup>2</sup>	3.0	
45254	Peppermint oil derived from mentha piperita	12.5	
45258	Pine needle oil	2.0	
45280	Distilled or essential oils, n.e.s.	3.0	
45502	Agar agar	7.5	
45506	Isinglass <sup>2</sup>	8.5	
45516	Gelatin, edible, under 40 cents per pound	8.8	
45518	Gelatin, edible, valued at 40 cents or more but not over 80 cents per pound	6.8	
45520	Edible gelatin, valued over 80 cents per pound	7.6	
45522	Photographic gelatin valued not over 80 cents per pound	7.1 <sup>1</sup>	
45524	Gelatin, photographic, valued over 80 cents per pound	6.8 <sup>1</sup>	
45530	Vegetable glue valued under 40 cents or more per pound	7.7	Israel
45532	Vegetable glue valued 40 cents or more per pound	7.8	
45534	Casein glue	7.5	
45544	Glue size, valued under 40 cents per pound	4.5	
45546	Glue size, valued 40 cents or more per pound	8.7 <sup>1</sup>	
46010	Ambergris, containing not over 10 percent alcohol	12.0	
46015	Anethol, containing not over 10 percent alcohol	12.0	
46025	Citral, containing not over 10 percent alcohol	12.0	
46030	Civet, containing not over 10 percent alcohol	8.0	
46035	Geraniol, containing not over 10 percent alcohol	7.5	Taiwan
46045	Hydroxy citronellal, containing not over 10 percent alcohol	7.5	
46050	Ionone, containing not over 10 percent alcohol	12.0	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
46055	Linalyl acetate, containing not over 10 percent alcohol	18.0	
46060	Musk, grained or in pods, containing not over 10 percent alcohol	10.0	India
46070	Safrol, containing not over 10 percent alcohol	15.0	
46075	Terpineol, containing not over 10 percent alcohol	12.0	
46080	Other aromatic or odiferous substances, n.s.p.f., not mixes	12.0	
46085	Aromatic or odiferous substances, artificially mixed	8.7	
46090	Aromatic or odiferous substances, over 10 percent alcohol	7.7	
46505	Fatty-acid esters, ethers, etc., derived from coconut	9.6'	
46510	Fatty-acid ethers and esters from polyhydric alcohols, n.s.p.f.	10.1	
46515	Fatty-acid amides, amines, etc., derived from coconut palm, etc.	8.2	Cayman Islands
46520	Fatty-acid amides, amines, quaternary ammonium salts, n.s.p.f.	9.3	
46525	Sodium and potassium salts, derived from coconut, palm, etc.	5.0	
46530	Sodium and potassium salts of fats and fatty acids, n.s.p.f.	6.5	
46535	Fatty acids, sulfonated from coconut, palm oil, etc.	5.0	
46540	Fatty acids and salts, sulfonated or sulfated, n.s.p.f.	6.6	
46545	Fatty alcohols, sulfated from coconut, palm oils, etc.	5.0	
46550	Fatty alcohols and slats sulfonated or sulfated, n.s.p.f.	6.4	
46555	Fatty acids, esters, etc., from coconut, palm kernel, palm oil	5.0	
46560	Fatty acids, esters, ethers, amides, etc., n.s.p.f.	6.2'	
46565	Coconut, palm kernel, and palm oils, sulfonated or sulfated	7.0	
46570	Tallow, sulfonated	8.1	Argentina
46575	Wool grease, sulfonated	7.9'	
46580	Animal fats, oils, or greases, sulfonated or sulfated, n.s.p.f.	7.8	
46585	Vegetable fats, oils, and greases, sulfonated, etc., n.s.p.f.	7.0	
49005	Oils, fats, and greases, halogenated, nitrated, etc.	16.0	
49010	Oleic acid	9.4	
49024	Fatty acids from coconut, palm kernel, palm oil	5.0	
49030	Lithium stearate	5.7'	
49032	Fatty salts of animal origin, n.s.p.f.	6.1	
49044	Fatty salts derived from linseed oil, n.s.p.f.	23.2	
49046	Fatty salts from hempseed, kapok, rapeseed, seame, etc.	6.0	
49048	Salts from coconut palm kernel or palm oil	5.0	
49050	Fatty salts of vegetable origin, n.s.p.f.	5.0	
49316	Mixtures, chief value casein	2.2	
49382	Tall oil	5.0	
49404	Beewax, bleached	7.5	
72615	Rosin, for violin bows	6.0	
74825	Cut natural flowers, dried, bleached, colored, etc.	5.0	

Footnotes at end of table.

TSUS	Description	MFN rate (1978 Ave in percent)	Countries excluded from preference by competitive-need limitations
74832	Grains, grasses, lichens, mosses, and other natural plants suitable for bouquets, wreaths, or other	11.0	
74834	Ornamental articles of dried or bleached natural plants	5.0	
74836	Ornamental articles of colored, etc., natural plants	12.5	

Definitions of terminology: AVE-ad valorem equivalent. MFN-most favored nation. NES-not elsewhere specified. NSPF-not specifically provided for. TSUS-Tariff Schedules of the United States.

<sup>1</sup> AVE based on 1977 imports. / <sup>2</sup> Not produced in the United States at the time the Trade Act was enacted, Jan. 3, 1975, and therefore the 50 percent competitive-need requirement does not apply. / <sup>3</sup> Added Mar. 1, 1978, pursuant to fourth TPSC review. / <sup>4</sup> Formerly included in 14786. / <sup>5</sup> Imports are subject to an important fee, which is not waived for GSP beneficiaries. / <sup>6</sup> Formerly included in 14815. / <sup>7</sup> No imports in 1977 or 1978. For TSUS items without a fixed duty, the MFN rate is left blank.



